

PLANNING AND ZONING COMMISSION
MEMORANDUM

June 18, 2009



Proposed text amendment to the Zoning Ordinance adding a new use, defined as “micro-assembly”, and determining in which zoning districts this new use should be permitted.

From time to time, new types of land use not already identified in the Zoning Ordinance will develop and forms of land use not presently anticipated may seek to locate in the city. The Development Services Department recently received a request from Lawrence J. (Larry) Haskins, Attorney and Counselor at Law, who represents Tejas Center, Ltd. On behalf of his clients, Mr. Haskins is requesting to add a new use, identified as “micro-assembly”, to the city’s Zoning Ordinance.

The request was made to assist with accommodating the needs of one of the tenants (Skyfiber, Inc.) of the Tejas Center property at the corner of S. Texas Avenue and E. Villa Maria Road. That property is currently zoned Retail District (C-2). Skyfiber, Inc. wishes to engage in the final assembly of custom laser communication devices (fiber optics without the fiber).

Upon receipt of Mr. Haskins request to amend the Zoning Ordinance, staff began researching this activity, how such a use would currently be classified by the Zoning Ordinance and how other cities classify this activity. Staff determined that adding “micro-assembly” as a new use category to the Zoning Ordinance will help recognize changes in technology and accommodating uses that were not anticipated when the Zoning Ordinance was adopted 20 years ago. In addition, research showed other cities specifically define specialty crafts that assembly or manufacture finished goods. Staff therefore proposes to also include these craft type uses in the definition of “micro-assembly” since they appear to be of similar intensity as these technological uses.

Mr. Haskins assisted staff in considering the nature and performance of uses that would fall under this new use category using his client’s tenant as an example. His responses are included in a questionnaire that staff developed and which is attached to the end of this memorandum. Based Mr. Haskins descriptions and the aforementioned research, staff developed the following definition for this new use category:

Micro-assembly shall mean operations that are involved in processing, fabrication or assembly of finished or nearly finished goods into a functioning whole, where such processing, fabrication or assembly occurs wholly within an enclosed space, and the total floor area within which assembly occurs does not exceed 75% of the gross floor area. Processing or fabrication of the already manufactured components by machinery shall be restricted so, to the extent that any related noise, vibration, and smoke, electrical interference, dust, odors or heat shall not be discernible beyond the boundaries of the building within which such micro-assembly is located. The sale and/or shipment of such manufactured goods, to the general public or direct consumer, shall occur on the same premises where micro-assembly occurs. Examples include but are not limited to weaving or production of textiles or apparel, manufacture of wood products, fabrication of fashion accessories including jewelry, hats and footwear, production of home furnishings and decorative items, craft work by artisans, and assembly and packaging of already manufactured components into finished electronic instruments.

Staff recommends amending the Zoning Ordinance with the above-described definition and allowing micro-assembly by right in the following zoning districts: Retail District (C-2), South College – Business District (SC-B), and Commercial District (C-3). Staff contends that the nature of micro-assembly uses best fits within these zoning districts due to the related office and retail uses associated with micro-assembly. Staff has compared micro-assembly with the following uses currently allowed within the above-mentioned zoning districts in terms of either scale, hours of operation, vehicular traffic, or site development: restaurant; certain retail trade establishments; automobile repair; heating or air conditioning services; printing company; farm equipment service; engraving shop; dry cleaners; greenhouse; and commercial bakery. Staff finds that micro-assembly uses are generally compatible and similar to these uses in terms of sales, customer type, number of employees, hours of operation, as well as building and site arrangement.

QUESTIONNAIRE RESPONSES FROM MR. HASKINS

1. The actual or projected characteristics of the activity in relationship to the stated characteristics of each use category.

The assembly use can be defined as a subset of technology in which communications, computing, audio visual, information systems, instrumentation, medical and similar end applications can be provided, created or managed by the use of high precision devices, low-voltage semi-conductor electronics, complex algorithmic, analog-to-digital conversions, process automation or the modulation of electromagnetic energy to achieve these or other applied results.

The assembly use is envisioned as a way for users looking to integrate their assembly, business administration, and sales operations into one convenient location. This involves assembly of finished sub-assemblies rather than fabrication or manufacturing of sub-assemblies. Differentiating examples:

- would include testing a printed circuit board, inserting and securing it in an enclosure;
- would not include manufacturing of the circuit board or the enclosure
- would include placing and securing lens and fiber optic cable into and enclosure
- would not include molding a lens or creating a fiber optic cable from glass fibers
- would include fitting devices with mounting hardware.
- would not include milling, molding or metal casting creation of the mounting hardware.

2. The relative amount of site area or floor space and equipment devoted to the activity.

No exterior activities. No more than 75% of interior building floor area would be used for assembly.

3. Relative amounts of sales from each activity.

The idea for the assembly use is for high tech companies looking to integrate their operations in a campus type setting where their assembly, research, business administration, and sales team is all under one roof. All these activities combine together for the goal of selling a finished product.

4. The customer type for each activity.

Since the idea of assembly is for just that, high tech products, the customer type can vary based on what products being assembled at the location involved. This could include individual consumers looking to purchase a new security system or governmental agencies and large users looking to purchase specific products for their use. Visits to the assembly locations by customers are generally for sales information and to examine the product and or its assembly process.

5. The relative number of employees in each activity.

Depending on the area utilized for assembly, approximately 25%-50% of employees would be dedicated to assembly and the rest dedicate to supervision, support staff, business administration, management, and sales staff.

6. Hours of operation.

Standard office and retail hours. Typically 7:00am to 7:00pm. Most operations would typically not be run on weekends.

7. Building and site arrangement.

Typically these would have a reception and customer service area in the front. Showroom / conference room adjacent or in close access. Administration & management offices behind. At the back of the space would typically be the assembly area along with storage, and any receiving or shipping areas. Most spaces would have need for a receiving door and employee entrance at the rear. Site arrangement would be per applicable codes.

8. Vehicles used with the activity.

Typical package carrier deliveries such as FedEx, UPS, etc. Semi or large box trucks will be received in the rear shipping area on a periodically basis. All received and shipped materials would be packaged and shipped in fully enclosed trucks and trailers. There would not be any bulk or raw material carriers.

9. Signs.

Typical storefront building sign and pylon markers per code for retail.

10. How the use advertises itself.

Local advertisement for employment. Signage. Via newsletters, public business & commerce meetings, trade publications, conferences, etc

11. Whether the activity is likely to be found independent of the other activities on the site.

The assembly will operate and be confined to the area designated for its use within the site. Additionally, the location of other tenants on and around the site is a draw for tenants use as it creates a positive atmosphere among employees.